K&D:2

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NPIC/TSG-047-70

14 AUG 1970

MEMORANDUM FOR: Director, National Photographic
                  Interpretation Center

SUBJECT   :   Request for Approval of Expenditure of
                    Funds Amounting to [ ] from FY-1971   25X1
                    R&D Funds for Contract [   ]   25X1
                    [   ]   25X1

1. This memorandum requests approval for the commitment of funds from FY-1971 R&D funding for an existing contract. The specific request is stated in Paragraph 5.

2. In Fiscal Year 1970 (30 June 1970) NPIC contracted with [   ] for the fabrication of a prototype Scan and Search Photo Interpretation Station under subject contract for [   ] The original proposal estimate for the effort was quoted by the contractor as [   ] and FY-70 R&D funding was approved for that amount.
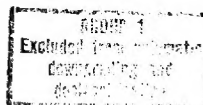
3. Just prior to contract negotiation on the subject contract, an audit of the contractor's facility was completed which verified an increase in his G&A and Overhead rates. However, since the project approval material was already in the approval cycle, and the end of the fiscal year was so close, it was deemed advisable to let it continue through the cycle at the [   ] funding level. During the contract negotiation, the contracting officer attempted to hold the contract price to the approved figure of [   ] but was unsuccessful, and the contract was negotiated at [   ] leaving a deficit of [   ]

4. [   ] is the project officer for this contract. [   ] has been assigned. Agency association is classified CONFIDENTIAL, but the work, title, and reports will be UNCLASSIFIED.

25X1 (left margin, para 2)
25X1 (left margin, para 2)
25X1 (right, para 2)
25X1 (right, para 3)
25X1 (left margin, para 3)
25X1 (left margin, para 3)
25X1 (right, para 3)
25X1 (left margin, para 4)
25X1 (right, para 4)

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GROUP 1
Excluded from automatic
downgrading and
declassification

Declass Review by NGA

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SUBJECT: Request for Approval of Expenditure of Funds
Amounting to _____ from FY-1971 R&D Funds   25X1
for _____   25X1

    5. It is requested that approval be granted to amend
the subject contract with _____ by   25X1
increasing the contract funding in the amount of _____   25X1
from Category IV FY-71 R&D funds.   25X1

Chief, Technical Services Group, NPIC

Attachment:
  Form 2420

                                      25X1

APPROVED: _____   2 1 AUG 1970
                                           Date
                       Captain, USN
                    Acting Director
    National Photographic Interpretation Center

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